

Message Text

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SUBJ: GOVERNMENT OF SRI LANKA TRADE UNION PROPOSALS

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1. SUMMARY: THE LONG-AWAITED GOVERNMENT PROPOSALS ON TRADE UNION ACTIVITY IN SRI LANKA HAVE BEEN RELEASED. THE DOCUMENT, ENTITLED THE "WHITE PAPER ON EMPLOYMENT RELATIONS," ENCOMPASSES A WIDE RANGE OF INDUSTRIAL RELATIONS ISSUES. PUBLIC TRADE UNION REACTION HAS BEEN MILD. HOWEVER, DISSATISFIED LEFTIST UNIONS HAVE ALREADY INCORPORATED THE WHITE PAPER INTO THEIR LIST OF PROTEST ISSUES AND HAVE STEPPED UP PROTEST CAMPAIGNS. THE GOVERNMENT HAS DEVOTED CONSIDERABLE SPACE IN THE WHITE PAPER TO REGULATIONS PERTAINING TO THE RESOLUTION OF DISPUTES AND STRIKES AND IT IS ANTICIPATED THAT THESE ARE THE AREAS WHICH WILL BRING THE STRONGEST TRADE UNION REACTION. ALTHOUGH PUBLICLY REFUSING TO ACCEPT LABOR MINISTRY INVITATION TO STATE THEIR VIEWS ON THE WHITE PAPER PROPOSALS, SEVERAL TRADE UNION LEADERS ARE KNOWN TO BE ADDRESSING STATEMENTS ON THE DOCUMENT TO THE MINISTER OF LABOR. ALTHOUGH RELEASE OF THE WHITE PAPER WAS EXPECTED, IT APPEARS THAT MUCH OF WHAT IT CONTAINS WAS NOT. AS A RESULT, CERTAIN MODERATE TRADE UNION

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LEADERS ARE UPSET OVER THE PROPOSALS AND IT APPEARS THAT THE GOVERNMENT MAY HAVE ALIENATED SOME OF ITS SUPPORTERS IN LABOR BY NOT WARNING THEM OF WHAT WAS COMING. GOVERNMENT HANDLING OF THE WHITE PAPER ISSUE WILL HAVE A VERY IMPORTANT EFFECT ON FUTURE RELATIONS BETWEEN THE GOVERNMENT AND TRADE UNIONS.
END SUMMARY.

2. PROPOSALS

THE MINISTRY OF LABOR (ML) HAS RELEASED ITS "WHITE PAPER ON EMPLOYMENT RELATIONS" (WP), PREPARATORY TO THE MAY 1 INTRODUCTION IN THE NATIONAL STATE ASSEMBLY (NSA) OF THE MINISTRY'S RECOMMENDED CHANGES TO REGULATIONS GOVERNING EMPLOYMENT AND TRADE UNION ACTIVITIES. UNIONS HAVE BEEN INVITED TO SUBMIT THEIR VIEWS OF THE PROPOSALS AND SUGGESTIONS FOR AMENDMENTS TO THE LABOR MINISTER DURING THE NEXT SIX WEEKS. THE BROAD RANGE OF CHANGES PROPOSED IN THE 47 PAGE DOCUMENT EXTENDS FROM THE REPEAL OF OBSOLETE ORDINANCES ENACTED AS FAR BACK AS THE YEAR 1875; TO THE CLARIFICATION OF STATUS OF PERIODIC AND TEMPORARY WORKERS; TO THE ESTABLISHMENT OF A MAXIMUM PERIOD OF PROBATION WHICH AN EMPLOYER CAN IMPOSE; TO A RECOMMENDATION TO ESTABLISH EMPLOYEE COUNCILS IN EACH WORKPLACE.

3. REACTION OF TRADE UNIONS

ALTHOUGH PUBLIC TRADE UNION REACTION TO THE WHITE PAPER HAS BEEN MILD, LABOR LEADERS ARE PRIVATELY EXPRESSING STRONG DISSATISFACTION WITH THE DOCUMENT. MOST ADMIT THAT MANY OF THE PROPOSALS, INCLUDING MOST OF THOSE REFERRED TO IN PARA 2 ABOVE, CONCERN LONG OVERDUE IMPROVEMENTS TO SECTIONS OF THE ORDINANCES WHICH GOVERN INDUSTRIAL RELATIONS AND EMPLOYMENT. SOME CHARGE, HOWEVER, THAT THE PROPOSALS ON THE WHOLE ARE INTENDED TO DESTROY ALL PROTECTION WORKERS CURRENTLY ENJOY UNDER SRI LANKA LABOR LAWS.

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4. CONTROVERSIAL SECTIONS

ONE SECTION OF THE BILL WHICH WILL SURELY BE PROMINENT IN THE TUG-OF-WAR WHICH WILL INEVITABLY ENSUE BETWEEN THE GOVERNMENT AND THE TRADE UNIONS CONCERNS INDUSTRIAL DISPUTES. CLEARLY INTENDED TO ELIMINATE WILDCAT STRIKES AND SPONTANEOUS WORK STOPPAGES DUE TO DISPUTES, THE PROPOSAL WOULD REQUIRE ANY UNION THAT CONTEMPLATES SUCH ACTION TO GIVE THE EMPLOYER WRITTEN NOTICE OF INTENT AT LEAST 21 DAYS BEFORE THE ACTION IS TO COMMENCE. SIMILARLY, AN EMPLOYER IS REQUIRED TO GIVE A 21 DAY NOTICE TO ALL AFFECTED EMPLOYEES WHEN HE INTENDS TO COMMENCE A LOCK-OUT. ANOTHER SECTION OF THE BILL RELATES TO THE ESTABLISHMENT OF EMPLOYEE COUNCILS. AS PRESENTLY WRITTEN, THE PROPOSAL WOULD PLACE RESPONSIBILITY WITH AN ELECTED COUNCIL TO REPRESENT ALL EMPLOYEES OF A WORKPLACE IN MATTERS, AND ESPECIALLY DISPUTES, BETWEEN EMPLOYEES AND BETWEEN EMPLOYER AND EMPLOYEE(S). THUS, MOST REPRESENTATIONS TO AN EMPLOYER ON BEHALF OF THE EMPLOYEES AND CURRENTLY CARRIED OUT BY UNIONS WOULD INSTEAD BE HANDLED BY THE COUNCIL. UNION REPRESENTATIVES WOULD BE MADE TO THE COUNCIL INSTEAD OF TO THE EMPLOYER DIRECTLY. FOR INSTANCE, A GRIEVANCE BROUGHT BY EITHER AN EMPLOYEE OR A UNION WOULD FIRST BE HEARD BY THE COUNCIL. IF THE COUNCIL AGREED THAT THE GRIEVANCE WAS WELL FOUNDED, IT, AND NOT THE UNION,

WOULD NEGOTIATE WITH THE EMPLOYER TO RESOLVE THE ISSUE.
THE ADOPTION OF THIS SECTION, IN ANY FORM, IS LIKELY TO BE
HOTLY DISPUTED.

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5. UNION ACTIONS

LEFTIST GROUPS, SUCH AS THE CEYLON MERCANTILE UNION (CMU) AND THE JOINT COMMITTEE OF TRADE UNION ORGANIZATIONS (JCTUO) HAVE ANNOUNCED PLANS TO INCLUDE THE WHITE PAPER AMONG THE LIST OF ACTIONS WHICH THEIR FREQUENT RALLIES ARE DESIGNED TO DISPLAY AND BUILD MASS OPPOSITION AGAINST. POLITICAL VICTIMIZATION IN JOBS, DEVALUATION OF THE RUPEE, WITHDRAWAL OF THE FOOD SUBSIDY, AND LABOR REGULATIONS PROPOSALS FOR THE FREE TRADE ZONE ARE THE OTHER ISSUES AROUND WHICH CMU AND JCTUO PROTEST RALLIES ARE CURRENTLY CENTERED. ONE JCTUO OFFICIAL, A LEADING LABOR RELATIONS ATTORNEY, ESPLAINED TO LABOFF THAT RELATIVELY MILD PUBLIC REACTION IS DUE MAINLY TO WORKERS' GENERAL LACK OF COMPREHENSION OF THE PROPOSALS AND RESULTANT LACK OF REALIZATION OF THEIR POTENTIAL EFFECT ON TRADE UNIONISM IN SRI LANKA. THEREFORE, HE STATED, THE TASK CONFRONTING TRADE UNION LEADERS TODAY IS QUICKLY TO TRANSLATE THE GOVERNMENT'S PROPOSALS INTO LANGUAGE THAT WILL BE UNDERSTOOD BY THE WORKERS. THEY FEEL THAT WHEN THE WORKERS UNDERSTAND THE PROPOSALS "THEY WILL REALIZE THAT THE GOVERNMENT'S TRUE AIM IS TO ELIMINATE WORKERS' RIGHTS." HE PREDICTS A STRONG, PERHAPS VIOLENT, WORKER REACTION AT THAT TIME.

6. IN ORDER TO "EDUCATE" THE WORKER, THE JCTUO HAS BEGUN AN EXTENSIVE CAMPAIGN RELATED TO THE WHITE PAPER. IT INVOLVES
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LUNCH HOUR MEETINGS AT WORKSITES WHERE UNION REPRESENTATIVES EXPLAIN THE GOVERNMENT'S PROPOSALS TO THE WORKERS. ALTHOUGH THERE IS NO STRIKE CONNECTED TO THE NOON HOUR SESSIONS, A SMALL PICKET LINE IS SET UP OUTSIDE THE WORKPLACE TO CALL ATTENTION TO AND DRAMATIZE THE ACTIVITY WITHIN.

7. THE CMU PLANS SIMILAR MEETINGS IN CONNECTION WITH THEIR PROTEST RALLIES. LOCAL PRESS REPORTS INDICATE THAT NEITHER THE CMU NOR JCTUO WILL RESPOND TO THE GOVERNMENT'S INVITATION FOR TRADE UNIONS TO EXPRESS THEIR VIEWS ON THE WHITE PAPER. ACCORDING TO THE PRESS, THE UNIONS FIND THE PAPER "OBNOXIOUS AND UNDESERVING OF REPLY." IT IS KNOWN, HOWEVER, THAT SEVERAL UNION LEADERS ARE SUBMITTING PERSONAL STATEMENTS ON THE PROPOSALS TO THE LABOR MINISTER.

8. COMMENT: HAVING CLEARLY STATED IN ITS ELECTION PLATFORM, AND ON NUMEROUS SUBSEQUENT OCCASIONS, ITS INTENTION TO MODIFY LABOR REGULATIONS, THE UNP GOVERNMENT CERTAINLY TOOK NO ONE BY SURPRISE WITH RELEASE OF THE WHITE PAPER ON EMPLOYMENT RELATIONS. THE EMBASSY FEELS THAT IT IS UNFORTUATE THAT THE GOVERNMENT OFFICIALS APPARENTLY DID NOT TAKE ADVANTAGE OF AN OPPORTUNITY DURING THESE PAST MONTHS TO CONSULT OR DISCUSS WITH TRADE UNION LEADERS THE REGULATIONS WHICH THE GOVERNMENT FELT NEEDED TO BE CHANGED. IN CONVERSATIONS WITH LABOR LEADERS ABOUT THE PROPOSALS, LABOFF HAS NOTED FEELINGS OF SURPRISE AND DISAPPOINTMENT AND THAT SOME FEEL PERSONALLY BETRAYED BY LABOR MINISTRY OFFICIALS WITH WHOM THEY FELT THEY HAD A GOOD WORKING RELATIONSHIP. THEY STATE THAT IN THE COURSE OF MUCH DIALOGUE BETWEEN THEM RECENTLY, NO HINT WAS GIVEN THAT MINISTRY PROPOSALS WOULD BE SO EXTENSIVE, SO BROAD IN THEIR EFFECT AND SO PRO-EMPLOYER AND ANTI-WORKER. FEELINGS OF DIS-TRUST ABOUT THE GOVERNMENT, ALWAYS VOICED BY THE ANTI-UNP LEFTIST-LED UNIONS, ARE NOW BEING EXPRESSED BY UNION LEADERS

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WHO, UNTIL NOW, EITHER VOICED SUPPORT FOR THE GOVERNMENT OR AT LEAST WERE CAREFUL NOT TO APPEAR ALIGNED WITH TRADE UNION OPPOSITION FORCES.

9. THE WHITE PAPER HAS PROBABLY COST THE GOVERNMENT IMPORTANT SUPPORT IN THE MODERATE, AS WELL AS LEFTIST TRADE UNION SECTOR. GOVERNMENT HANDLING OF THE PROTEST RALLIES WHICH WILL INEVITABLY INCREASE OVER THE NEXT FEW WEEKS, AND OF THE DEMANDS FOR SIGNS THAT IT IS NOT ANTI-LABOR WILL HAVE A DISINFICANT EFFECT ON GOVERNMENT/LABOR RELATIONS FOR SOME TIME TO COME.

10. A COPY OF THE "WHITE PAPER ON EMPLOYMENT RELATIONS"
FOLLOWS BY AIR POUCH.
WRIGGINS

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